

**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

B

W-02526A  
Bellemont Water Co.  
11215 Edith Lane  
Flagstaff, AZ 86004

RECEIVED

MAY 9 2 2007

AZ CORP COMM  
Director Utilities

**ANNUAL REPORT**

**FOR YEAR ENDING**

12	31	2006
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FOR COMMISSION USE

ANN 04	06
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PROCESSED BY:

5-8-07

SCANNED

## COMPANY INFORMATION

Company Name (Business Name) Bellemead Wake Company, Inc.

Mailing Address P.O. Box 31176

(Street)  
Phoenix  
(City)

(State)  
AZ

(Zip)  
85003

928-714-9262  
Telephone No. (Include Area Code)

same as phone #  
Fax No. (Include Area Code)

928-220-0350  
Pager/Cell No. (Include Area Code)

Email Address \_\_\_\_\_

Local Office Mailing Address same as above

(Street)

(City)

(State)

(Zip)

Local Office Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address \_\_\_\_\_

## MANAGEMENT INFORMATION

Management Contact: Monika Neri

(Name)

Secretary  
(Title)

P.O. Box 31176  
(Street)

Phoenix  
(City)

AZ  
(State)

85003  
(Zip)

same as above  
Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address \_\_\_\_\_

On Site Manager: Same as above

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address \_\_\_\_\_

☒ Please mark this box if the above address(es) have changed or are updated since the last filing.

**Statutory Agent:** Michael J. Fatta  
(Name)

18001 N. 79th Ave #B46 Glendale AZ 85308  
(Street) (City) (State) (Zip)

623-486-0050  
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

**Attorney:** Same as above  
(Name)

(Street) (City) (State) (Zip)

Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

### OWNERSHIP INFORMATION

Check the following box that applies to your company:

- |   |  |
|---|--|
| <input type="checkbox"/> Sole Proprietor (S)    | <input checked="" type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P)        | <input type="checkbox"/> Subchapter S Corporation (Z)                                |
| <input type="checkbox"/> Bankruptcy (B)         | <input type="checkbox"/> Association/Co-op (A)                                       |
| <input type="checkbox"/> Receivership (R)       | <input type="checkbox"/> Limited Liability Company                                   |
| <input type="checkbox"/> Other (Describe) _____ |  |

### COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- |                                     |                                   |  |
|-------------------------------------|-----------------------------------|--|
| <input type="checkbox"/> APACHE     | <input type="checkbox"/> COCHISE  | <input checked="" type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA       | <input type="checkbox"/> GRAHAM   | <input type="checkbox"/> GREENLEE            |
| <input type="checkbox"/> LA PAZ     | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE              |
| <input type="checkbox"/> NAVAJO     | <input type="checkbox"/> PIMA     | <input type="checkbox"/> PINAL               |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI  | <input type="checkbox"/> YUMA                |
| <input type="checkbox"/> STATEWIDE  |                                   |  |

COMPANY NAME

*Belle mont Water Company, Inc***UTILITY PLANT IN SERVICE**

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	83486	45916	37570
302	Franchises	1339	737	602
303	Land and Land Rights	23861		23861
304	Structures and Improvements	29360	19326	10034
307	Wells and Springs	75127	44179	30948
311	Pumping Equipment	59236	59236	0
320	Water Treatment Equipment	4681	4681	0
330	Distribution Reservoirs and Standpipes	47,864	35896	11968
331	Transmission and Distribution Mains			
333	Services			
334	Meters and Meter Installations	18352	8924	9428
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	1553	1269	284
340	Office Furniture and Equipment	4319	3528	791
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment	448	333	115
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	<b>TOTALS</b>	<b>349,626</b>	<b>224025</b>	<b>125601</b>

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME *Bellemont Water Company, Inc*

**CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	83486		
302	Franchises	1339		
303	Land and Land Rights	23861		
304	Structures and Improvements	29360	3.33	978
307	Wells and Springs	75127	3.33	2501
311	Pumping Equipment	59236	12.5	6163
320	Water Treatment Equipment	4681	20.0	299
330	Distribution Reservoirs and Standpipes	47,864	5.0	2393
331	Transmission and Distribution Mains			
333	Services			
334	Meters and Meter Installations	18352	8.33	1529
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	1553	6.67	103
340	Office Furniture and Equipment	4319	6.67	288
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment	448	5.0	22
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	<b>TOTALS</b>	<b>349626</b>		<b>14276</b>

This amount goes on the Comparative Statement of Income and Expense \_\_\_\_\_  
Acct. No. 403.

COMPANY NAME *Bellefont Water Company, Inc*

**BALANCE SHEET**

Acct .No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>ASSETS</b>		
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$ 12,186	\$ 261
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable		
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	\$ 12,186	\$ 261
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$ 349,620	\$ 349,626
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	209,749	224,025
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	<b>TOTAL FIXED ASSETS</b>	\$ 139,877	\$ 125,601
	<b>TOTAL ASSETS</b>	\$ 152,063	\$ 125,862

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME *Bellemont Water Company, Inc*

**BALANCE SHEET (CONTINUED)**

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>LIABILITIES</b>		
	<b>CURRENT LIABILITES</b>		
231	Accounts Payable	\$ 36040	\$ 4460
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	590	590
236	Accrued Taxes	289	183
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	<b>TOTAL CURRENT LIABILITIES</b>	\$ 36919	\$ 5233
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds	\$ 30,196	\$ 26,183
	<b>DEFERRED CREDITS</b>		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	<b>TOTAL DEFERRED CREDITS</b>	\$	\$
	<b>TOTAL LIABILITIES</b>	\$ 67,115	\$ 31,416
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$ 234,965	\$ 234,965
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings	<150.017>	<140.519>
218	Proprietary Capital (Sole Props and Partnerships)		
	<b>TOTAL CAPITAL</b>	\$ 84,948	\$ 94,446
	<b>TOTAL LIABILITIES AND CAPITAL</b>	\$ 152,063	\$ 125,862

COMPANY NAME *Bellemont Water Company, Inc*

**COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ <i>58,562</i>	\$ <i>24,272</i>
460	Unmetered Water Revenue		
474	Other Water Revenues		
	<b>TOTAL REVENUES</b>	\$	\$
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages	\$	\$
610	Purchased Water	<i>2295</i>	<i>1006</i>
615	Purchased Power	<i>10042</i>	<i>6429</i>
618	Chemicals		
620	Repairs and Maintenance	<i>3519</i>	<i>823</i>
621	Office Supplies and Expense	<i>332</i>	<i>487</i>
630	Outside Services	<i>5000</i>	<i>2904</i>
635	Water Testing	<i>692</i>	<i>315</i>
641	Rents	<i>7215</i>	<i>1852</i>
650	Transportation Expenses	<i>100</i>	<i>1348</i>
657	Insurance – General Liability	<i>1656</i>	<i>1451</i>
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	<i>17,220</i>	<i>20,261</i>
403	Depreciation Expense	<i>16155</i>	<i>14276</i>
408	Taxes Other Than Income		
408.11	Property Taxes	<i>2159</i>	<i>2129</i>
409	Income Tax	<i>50</i>	<i>50</i>
	<b>TOTAL OPERATING EXPENSES</b>	\$ <i>66,335</i>	\$ <i>53,331</i>
	<b>OPERATING INCOME/(LOSS)</b>	\$ <i>&lt;7773&gt;</i>	\$ <i>&lt;29059&gt;</i>
	<b>OTHER INCOME/(EXPENSE)</b>		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		<i>38557</i>
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	<i>633</i>	
	<b>TOTAL OTHER INCOME/(EXPENSE)</b>	\$ <i>&lt;633&gt;</i>	\$ <i>38557</i>
	<b>NET INCOME/(LOSS)</b>	\$ <i>&lt;8406&gt;</i>	\$ <i>9498</i>

COMPANY NAME Bellefont Water Company, Inc

**SUPPLEMENTAL FINANCIAL DATA**

**Long-Term Debt**

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	9/19/89	11/20/00	4/1/02	
Source of Loan	Stockholder	Stockholder	Stockholder	
ACC Decision No.				
Reason for Loan	Working Capital	System Improvement	Working Capital	
Dollar Amount Issued	\$ 14265	\$ 14,000	\$ 25,000	\$
Amount Outstanding	\$ 3579	\$ 3269	\$ 19335	\$
Date of Maturity	12/31/06	12/31/06	12/31/06	
Interest Rate	5 %	10 %	4 %	%
Current Year Interest	\$ 0	\$ 0	\$ 0	\$
Current Year Principle	\$ 0	\$ 0	\$ 3802	\$

Meter Deposit Balance at Test Year End

\$ 590

Meter Deposits Refunded During the Test Year

\$ 0

COMPANY NAME	<i>Bellmont Water Company, Inc</i>
Name of System	ADEQ Public Water System Number (if applicable)

## WATER COMPANY PLANT DESCRIPTION

### WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
# 2	5 hp	10	225	6"	2"	1989
# 3	2 hp	0	55	6"	2"	1989
# 4	None	0	530	6"	2"	2000

\* Arizona Department of Water Resources Identification Number

### OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
<i>None</i>		

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
10	1		
25	2		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
100,000	1	5000	1

*Note: If you are filing for more than one system, please provide separate sheets for each system.*

COMPANY NAME	Bellefont Water Company, Inc
Name of System	ADEQ Public Water System Number (if applicable)

### WATER COMPANY PLANT DESCRIPTION (CONTINUED)

#### MAINS

Size (in inches)	Material	Length (in feet)
2		
3		
4	PVC	482
5		
6	PVC	1518
8		
10		
12		

#### CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	
3/4	5
1	
1 1/2	
2	
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	1
Comp. 6	
Tubo 6	

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:

Liquid Chloride

STRUCTURES:

Pump house and meter boxes

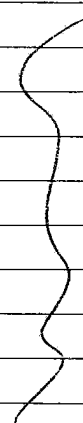
OTHER:

One generator

*Note: If you are filing for more than one system, please provide separate sheets for each system.*

COMPANY NAME: <i>Bellefont Water Company, Inc</i>
Name of System <i>ADEQ Public Water System Number (if applicable)</i>

**WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2006**

MONTH/YEAR	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	5 metered +	1227810	1227800	
FEBRUARY	standpipe	854.230	854300	46,800
MARCH		243,902	244,000	
APRIL		137.515	137600	
MAY		132.014	132100	
JUNE		235123	235200	
JULY		132706	132800	
AUGUST		95,615	95700	
SEPTEMBER		202,944	202990	
OCTOBER		118.000	118,100	
NOVEMBER		603242	603300	
DECEMBER		582,817	582900	
TOTALS →		4,565,918	4566890	46800

What is the level of arsenic for each well on your system? *3ug/1 billion* ~~mg/l~~  
*(If more than one well, please list each separately.)*

If system has fire hydrants, what is the fire flow requirement? \_\_\_\_ GPM for \_\_\_\_ hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?  
☒ Yes                      ☐ No

Is the Water Utility located in an ADWR Active Management Area (AMA)?  
☐ Yes                      ☒ No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?  
☐ Yes                      ☒ No

If yes, provide the GPCPD amount: \_\_\_\_\_

*Note: If you are filing for more than one system, please provide separate data sheets for each system.*

COMPANY NAME Bellenmont Water Company, Inc YEAR ENDING 12/31/2006

**PROPERTY TAXES**

Amount of actual property taxes paid during Calendar Year 2006 was: \$ 2129

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**VERIFICATION  
AND  
SWORN STATEMENT  
Taxes**

RECEIVED

MAY 02 2007

AZ CORP COMM  
Director Utilities

**VERIFICATION**

STATE OF Arizona  
I, THE UNDERSIGNED  
OF THE

COUNTY OF (COUNTY NAME) <u>Coconino</u>
NAME (OWNER OR OFFICIAL) TITLE <u>Klaudia Nuss, Secretary/Treasure</u>
COMPANY NAME <u>Bellevue Water Company</u>

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2006

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.


Klaudia Nuss  
SIGNATURE OF OWNER OR OFFICIAL  
928-714-9242  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 30th DAY OF

COUNTY NAME <u>Coconino</u>	
MONTH <u>April</u>	<u>2007</u>

  
**RODNEY C. WILSON**  
NOTARY PUBLIC - STATE OF ARIZONA  
COCONINO COUNTY  
My commission expires 6/30/07  
MY COMMISSION EXPIRES

Rodney C. Wilson  
SIGNATURE OF NOTARY PUBLIC

COMPANY NAME Bellefont Water Company, Inc. YEAR ENDING 12/31/2006

**INCOME TAXES**

For this reporting period, provide the following:

Federal Taxable Income Reported 0  
Estimated or Actual Federal Tax Liability 50.00

State Taxable Income Reported 0  
Estimated or Actual State Tax Liability 50.00

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances \_\_\_\_\_  
Amount of Gross-Up Tax Collected \_\_\_\_\_  
Total Grossed-Up Contributions/Advances \_\_\_\_\_

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

**CERTIFICATION**

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

Kludia Ness  
SIGNATURE

5-1-07  
DATE

Kludia Ness  
PRINTED NAME

Secretary  
TITLE

**VERIFICATION  
AND  
SWORN STATEMENT  
Intrastate Revenues Only**

RECEIVED

MAY 02 2007

**VERIFICATION**

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>Cocconino</u>
NAME (OWNER OR OFFICIAL) TITLE <u>Klandia Ness Secretary/Treasure</u>
COMPANY NAME <u>Bellemont Water Company</u>

W CORP COMM  
Director Utilities

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2006

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2006 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 24,272

(THE AMOUNT IN BOX ABOVE  
INCLUDES \$ 550.35  
IN SALES TAXES BILLED, OR COLLECTED)

**\*\*REVENUE REPORTED ON THIS PAGE MUST  
INCLUDE SALES TAXES BILLED OR  
COLLECTED. IF FOR ANY OTHER REASON,  
THE REVENUE REPORTED ABOVE DOES NOT  
AGREE WITH TOTAL OPERATING REVENUES  
ELSEWHERE REPORTED, ATTACH THOSE  
STATEMENTS THAT RECONCILE THE  
DIFFERENCE. (EXPLAIN IN DETAIL)**

Klandia Ness  
SIGNATURE OF OWNER OR OFFICIAL  
928-714-9262  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

20th

DAY OF

COUNTY NAME <u>Cocconino</u>	
MONTH <u>April</u>	YEAR <u>2007</u>

NOTARY PUBLIC - STATE OF ARIZONA  
(SEAL) COCONINO COUNTY

[Signature]  
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES 12/31/07

**VERIFICATION  
AND  
SWORN STATEMENT  
RESIDENTIAL REVENUE**  
Intrastate Revenues Only

RECEIVED

MAY 02 2007

AZ CORP COMM  
Director Utilities

**VERIFICATION**

**STATE OF ARIZONA**

**I, THE UNDERSIGNED**

**OF THE**

COUNTY OF (COUNTY NAME) <i>Cocconino</i>	
NAME (OWNER OR OFFICIAL) <i>Katherine Noss</i>	TITLE <i>Secretary/Treasurer</i>
COMPANY NAME <i>Selmon Water Company</i>	

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION  
FOR THE YEAR ENDING**

MONTH	DAY	YEAR
12	31	2006

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2006 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES \$ <i>—0—</i>
--

THE AMOUNT IN BOX AT LEFT  
INCLUDES \$ *—0—*  
IN SALES TAXES BILLED, OR COLLECTED)

**\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE  
MUST INCLUDE SALES TAXES BILLED.**

*Katherine Noss*  
SIGNATURE OF OWNER OR OFFICIAL  
*928-714-9262*  
TELEPHONE NUMBER

**SUBSCRIBED AND SWORN TO BEFORE ME**

**A NOTARY PUBLIC IN AND FOR THE COUNTY OF**

**THIS**

*30th*

**DAY OF**

NOTARY PUBLIC NAME <i>Rodney C. Wilson</i>	
COUNTY NAME <i>Cocconino</i>	
MONTH <i>April</i>	, 20 <i>07</i>

(SEAL)

**MY COMMISSION EXPIRES ?**

*12/31/07*

X *Rodney C. Wilson*  
SIGNATURE OF NOTARY PUBLIC